



Legislation Text

File #: 3294-2022, Version: 1

Background

The goal of a Community Reinvestment Area is neighborhood revitalization and stabilization.

This Ordinance will create the Riverside Community Reinvestment Area (the “CRA”), and provide for real property tax exemptions within the area in accordance with Sections 3735.65 to 3735.70 of the Ohio Revised Code. The real property tax exemptions provided herein will be available only for parcels that are residentially zoned, or parcels where residential use is permitted by variance, and only for properties that are actually used for residential purposes.

The Ordinance will provide for exemptions from increases in real property taxation resulting from the construction of new housing, the conversion of buildings from commercial use to residential use, and the renovation of existing single and multi- family housing units, within the established boundaries.

Fiscal Impact: No fiscal impact. No funding is required for this legislation.

To create the Riverside Community Reinvestment Area; to authorize real property tax exemptions as authorized by Sections 3735.65 to 3735.70 of the Ohio Revised Code; and to provide that the City’s existing Community Reinvestment Area Housing Council shall serve as the Housing Council for the Riverside Community Reinvestment Area.

WHEREAS, the City of Columbus has established a goal of fostering private sector investment to build mixed income neighborhoods dispersed throughout the City; and

WHEREAS, the Council of the City of Columbus (hereinafter “Council”) desires to pursue reasonable and legitimate incentive measures to assist and encourage development in specific areas of the City of Columbus that have not enjoyed the benefit of reinvestment from remodeling or new construction; and

WHEREAS, Ordinance No. 1698-78, approved by City Council on August 3, 1978, authorized the Columbus Department of Development to implement a Community Reinvestment Program, pursuant to Sections 3735.65 to 3735.70 of the Ohio Revised Code, and approved certain administrative procedures for the program; and

WHEREAS, the City’s current CRA Housing Council formed by the passage of Ordinance 2412-2003 on November 10, 2003, as required by R.C. Section 3735.69, shall serve as the CRA Housing Council for the Riverside CRA; and

WHEREAS, a housing survey (Exhibit A), a map of the proposed CRA (Exhibit B), and a list of parcels in the proposed CRA (Exhibit C) as required by R.C. Section 3735.66 have been prepared and are attached to this Ordinance; and

WHEREAS, the Council adopted the revised changes to the City’s residential tax incentive policy in July 2022 by

adopting Ordinance 1843-2022, thereby codifying Chapter 4565 of the Columbus City Code; and

WHEREAS, the Director of the Department of Development shall designate the CRA as Market Ready, Ready for Revitalization, or Ready for Opportunity (the “Area Designation”) as provided in Chapter 4565; and

WHEREAS, specific terms and requirements for the CRA will adhere to the requirements of Chapter 4565, including all requirements specific to the Area Designation assigned to the CRA; and

WHEREAS, the remodeling of existing structures for residential use and construction of new residential structures in this Community Reinvestment Area constitutes a public purpose for which real property exemptions may be granted, and would serve to encourage economic stability, maintain real property values, and generate new employment opportunities; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

Section 1. City Council finds that the housing survey in Exhibit A, reflects that the area depicted in Exhibit B constitutes an area in which housing facilities or structures of historical significance are located and new housing construction and repair of existing facilities or structures are discouraged. Council finds that the construction of new structures and the remodeling of existing structures are declared to be a public purpose for which exemptions from real property taxation may be granted as set forth hereinafter.

Section 2. Pursuant to ORC Section 3735.66, the Riverside Community Reinvestment Area boundary is hereby established in the following described area:

All parcels within the City of Columbus corporate boundary beginning at the northwest corner of Henderson Road and Sawmill Road; continuing north along the west side of Sawmill Road to the southwest corner of Cranston Drive and Sawmill Road; continuing west along the south side of Cranston Drive to the corner of Cranston Drive and Amston Drive; continuing south along the east side of Amston Drive to the three-way intersection of Amston Drive, Millbury Avenue, and Essington Drive; continuing east along the north side of Essington Drive to the corner of Essington Drive and Maryhurst Drive; continuing south along the east side of Maryhurst Drive to the corner of Maryhurst Drive and Curtis Knoll Drive; continuing west along the south side of Curtis Knoll Drive to the corner of Curtis Knoll Drive and Meadowsglen Drive; continuing south along the east side Meadowsglen Drive to the three-way corner of Meadowsglen Drive, Epplworth Drive, and Meadowhurst Way; continuing south along the east side of Meadowhurst Way to the corner of Meadowhurst Way and West Case Road; continuing west along the south side of West Case Road to the corner of West Case Road and Riverside Drive; continuing south along the east side of Riverside Drive to the corner of Riverside Drive and Hayden Road; continuing south along the west side of Riverside Drive to the corner of Riverside Drive and West Henderson Road; continuing east along the north side of West Henderson Road to the corner of West Henderson Road and Sawmill Road.

In addition to this description of the boundaries, the Community Reinvestment Area is also approximately depicted as the area on the map marked Exhibit B, attached to this Ordinance, and on the list of parcel numbers marked Exhibit C, both of which are incorporated herein. In the event that an owner of a parcel within the Community Reinvestment Area combines a parcel within the Community Reinvestment Area with an adjoining parcel(s) outside the Community Reinvestment Area, the resultant combined parcel shall be deemed to be within the Community Reinvestment Area only if: (1) the parcel that was within the Community Reinvestment Area prior to the parcel combination constitutes at least fifty percent of the total parcel area of the combined parcel; (2) the parcels were combined into the parcel number listed in Exhibit C to be included in the Community Reinvestment Area; and (3) the parcel(s) that were combined with the parcel inside of the Community Reinvestment Area are all contiguous with and adjacent to the parcel within the Community Reinvestment Area.

Only properties that are residentially zoned pursuant to the Columbus City Codes or parcels for which a variance permitting residential use has been granted will be eligible for exemptions under this program. For purposes of ORC Sections 3735.65 to 3735.70, rental housing, including without limitation rental housing

located in a structure containing multiple residential housing units, is classified as residential.

Section 3. A tax exemption on the increase in the assessed valuation of the Property resulting from improvements as described herein, shall be granted upon proper application by the property owner, which application must be filed with the Housing Officer no later than two years after construction completion, and certification thereof by the designated Housing Officer for the following periods:

(a) For a Development Project involving the remodeling of a structures containing not more than three (3) family units:

One hundred percent (100%) for fifteen (15) years for Affordable Housing Units (as defined in Columbus City Code (“CCC”) Section 4565.02) in areas designated Ready for Revitalization Areas or Market Ready Areas, subject to and contingent upon the owner of the structure and the City entering into a written agreement as described in CCC Section 4565.07, or 4565.08, prior to the commencement of construction or within an extended time-frame thereafter subject to the approval of the Development Director. The abatement is revocable upon the first owner transferring title to the structure to a third party following the first owner’s initial occupancy.

One hundred percent (100%) for fifteen (15) years in areas designated Ready for Opportunity Areas.

(b) For a Development Project involving the construction of a new structure containing not more than three (3) family units:

One hundred percent (100%) for fifteen (15) years for Affordable Housing Units (as defined in CCC Section 4565.02) if the area is designated Ready for Revitalization Areas or Market Ready Areas, subject to and contingent upon the owner of the structure and the City entering into a written agreement as described in CCC Section 4565.07, or 4565.08, prior to the commencement of construction or within an extended time-frame thereafter subject to the approval of the Development Director. The abatement is revocable upon the first owner transferring title to the structure to a third party following the first owner’s initial occupancy.

One hundred percent (100%) for fifteen (15) years in areas designated Ready for Opportunity.

(c) For a Development Project involving the remodeling of a structure or construction of a new structure containing four (4) or more family units:

One hundred percent (100%) for fifteen (15) years in areas designated Ready for Opportunity Areas, Ready for Revitalization Areas or Market Ready Areas, subject to and contingent upon the owner of the structure and the City entering into a written agreement as described in CCC Section 4565.07, 4565.08, or 4565.09 prior to the commencement of construction or within an extended time-frame thereafter subject to the approval of the Development Director.

Designation of the Riverside Community Reinvestment Area as a Ready for Opportunity Area, a Ready for Revitalization Area, or a Market Ready Area shall be made by the Development Director pursuant to CCC Section 4565.03.

The tax exemptions provided for herein shall further be governed by the terms and conditions contained in Chapter 4565 of the Columbus City Codes, including any amendments thereto, as well as the requirements contained in Sections 3735.65 to 3735.70 of the Ohio Revised Code, including the minimum investment requirements set forth therein. For a remodeling development project, including one with multiple structures, the cost of remodeling of any structure containing not more than two (2) family units must be at least two thousand five hundred dollars (\$2500) or twenty percent (20%) of the assessed value of the structure, whichever is more. For a remodeling development project, including one with multiple structures, the cost of remodeling any structure containing more than two (2) family units must be at least five thousand dollars (\$5000) or twenty percent (20%) of the assessed value of the structure, whichever is more.

The tax exemption provided hereunder is senior to any tax exemption provided pursuant to ORC Sections 5709.40 or 5709.41.

Section 4. That a pre-application may be required to ensure the compatibility with neighborhood plans and to insure the maintenance of existing streetscape lines, style, scale setbacks and landscaping features compatible with

neighborhood.

- Section 5. That, for purposes of this Ordinance and Sections 3735.65 through 3735.70, inclusive, of the Revised Code, a multiple unit structure or remodeling is hereby deemed to be a “residential” structure or remodeling. The term “multiple unit” shall mean a structure or remodeling incorporating both residential and commercial uses, provided, however, that only those portions of the structure or remodeling that are used for residential purposes will qualify for the abatement under this Ordinance. The entire structure does not need to be abated or qualify for abatement in order for the abatement to apply to the qualifying portions of the structure. Abatements may be claimed for, and will only apply to, portions of a structure meeting the required criteria.
- Section 6. That City Council reserves the right to re-evaluate the Designation of the Riverside Community Reinvestment Area after December 31, 2028, at which time Council may direct the Housing Officer not to accept any applications for exemptions as directed in Section 3735.67 of the Ohio Revised Code.
- Section 7. That it is hereby declared to be the controlling legislative intent that if any provisions of the Ordinance is held to be invalid, the remaining provisions and the application of such provision to any person or circumstances other than those to which it is held invalid shall not be affected thereby.
- Section 8. That the CRA Housing Council formed by City Council by the passage of Ordinance No. 2412-2003 on November 10, 2003, and any subsequent amendments thereto, including re-appointments and new appointments of members as authorized by that legislation, is appointed as the CRA Housing Council for the Riverside CRA to fulfill the duties required by R.C. Section 3735.69. The Community Reinvestment Area Housing Council shall make an annual inspection of the properties within the district for which an exemption has been granted under Section 3735.66 of the ORC. The Council shall also hear appeals under 3735.70 of the ORC.
- Section 9. That the City Clerk is directed to cause notice of the passage of this Ordinance to be published in a newspaper of general circulation in the City once a week for two consecutive weeks immediately following its passage, as required by Section 3735.66 of the Ohio Revised Code.
- Section 10. That this Council further hereby authorizes and directs the Mayor, the City Clerk, the Director of the Department of Development, the City Attorney, or other appropriate officers of the City to prepare and sign all agreements and instruments and to take any other actions as may be appropriate to implement this Ordinance.
- Section 11. That to administer and implement the provisions of this Ordinance, the Administrator of the Department of Development’s Housing Division is designated as the Housing Officer as described in Sections 3735.65 through 3735.70 of the Ohio Revised Code.
- Section 12. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.